

H.R. 265 – Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2019 (Rep. Bishop, D-GA)

FLOOR SCHEDULE:

H.R. 265 is expected to be considered January 10, 2019, under a closed rule.

The rule would waive all points of order against consideration of the bill and against provisions in the bill.

The rule provides the bill one motion to recommit.

TOPLINE SUMMARY:

The bill would provide full-year FY 2019 appropriations for agencies and departments that are annually funded under the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act. Funding lapsed for agencies and departments funded under this act, and the following acts, at the end of December 21, 2018:

- 1. Commerce, Justice, Science, and Related Agencies
- 2. Financial Services and General Government Appropriations Act
- 3. Interior, Environment, and Related Agencies
- 4. State, Foreign Operations, and Related Programs
- 5. Transportation, and Housing and Urban Development, and Related Agencies
- 6. Department of Homeland Security

The bill would direct that furloughed federal and state employees receive back-pay.

COST:

According to a Congressional Budget Office (CBO) cost estimate for H.R. 21, which included substantially the same language with respect to funding covered by the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, the bill would provide a net total of \$23.134 billion in Fiscal Year 2019 base discretionary budget authority that is subject to the Budget Control Act (BCA) discretionary spending caps (as increased by the Bipartisan Budget Act of 2018 (BBA18)).

CONSERVATIVE CONCERNS:

Wall Funding & Shutdown

For the second week in a row, Speaker Pelosi will be forcing the House to vote on appropriations measures that have no realistic chance of becoming law. Many conservatives will view this bill as a

waste of time by House Democratic Leadership because it was understood by House and Senate leadership that the Senate would not consider a government funding measure until it was agreed to by the President.

Conservative members may be concerned that House Democrats are forcing separate consideration of this and the other appropriations measures being brought up in the House this week in an attempt to peel off Republican members from voting 'no' by focusing on the programs funded in the individual bills. Conservatives should be resolute in understanding that votes on individual funding bills represent part of a cohesive position on the FY 2019 funding debate. Further, the vote may be seen by conservatives as a ploy to blame Republicans for continuing the partial shutdown.

Many conservatives will be concerned that appropriations are being concerned without an agreement in place to provide full-year funding for the Department of Homeland Security with additional funding for a southern border wall/barrier as requested by President Trump. Currently enacted funding (section 230 of the FY 2018 Omnibus) for the Department of Homeland Security includes \$1.571 billion for fencing and border security technology along the southern border, of which about \$1.34 billion can be used for fencing. None of that funding can be used for construction of a President Trump wall according to restrictions of that section. House Republicans passed an amended continuing resolution on December 20, 2018 prior to the lapse in discretionary funding that would have fully funded the President's wall funding request.

Programmatic Funding Concerns

Conservatives may be concerned that the bill would appropriate \$2 million to create a pilot program to award grants to state and local organization to carry out programs to address farmer stress and suicide.

Some conservatives may view the funding of many of the agricultural subsidy programs as corporate welfare funded at the expense of U.S. taxpayers.

- **Expand the Size and Scope of the Federal Government?** The bill provides discretionary funding at levels greater than what was provided for last fiscal year.
- **Encroach into State or Local Authority?** Some conservatives may believe that many of the programs funded by the bill should be the responsibility of state and local governments. Some conservatives may believe that agriculture subsidies should not exist and the industry should be left to the free market.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

DETAILED SUMMARY AND ANALYSIS:

Agriculture, Rural Development, Food and Drug, and Related Agencies Appropriations Act, 2019

The bill would include a total of \$23.235 billion in discretionary funding for programs covered by the Agriculture, Rural Development, Food and Drug, and Related Agencies bill, which is \$6.201 billion above the president's request, and \$224 million above the FY 2018 enacted level.

Title I - Agricultural Programs

Agricultural Research: The bill would appropriate \$2.73 billion for agricultural research programs, including \$1.301 billion for the Agricultural Research Service and \$1.423 million for the National Institute of Food and Agriculture. The bill also includes \$3 million for the Rural Health and Safety Education Program to address the opioid abuse epidemic and to combat opioid abuse in rural communities.

Animal and Plant Health Inspection Service: The bill includes \$1.004 million for APHIS, a level that is \$261 million above the President's Request, and \$18.6 million above the FY18 enacted level.

Agricultural Marketing Service: The bill provides \$1.647 billion for the Agricultural Marketing Service, a level that is \$12.3 million above the President's Request, and \$34 million above the FY18 enacted level.

Food Safety and Inspection Service: The bill provides \$1.049 billion for the Food Safety and Inspection Service, a level that is \$17.1 million above the President's Request, and \$7.5 million above the FY18 enacted level.

Title II - Farm Production and Conservation Programs

The bill provides \$2.728 million for Farm Production and Conservation Programs, a level that is \$530.1 million above the President's Request and \$891 million above the FY18 enacted level.

Farm Service Agency (FSA): The bill provides \$1.625 billion for the FSA.

Agriculture Credit Insurance Fund: The bill authorizes \$8.017 billion in farm operating and ownership loans, as well as other farm credit programs. According to the Senate Appropriations Committee, the "Agricultural Credit Insurance Fund Program Account is used to provide direct and guaranteed farm ownership, farm operating, conservation, Indian highly fractioned land, and emergency loans to individuals, as well as the following types of loans to associations: irrigation and drainage, grazing, Indian tribe land acquisition, and boll weevil eradication."

Natural Resources Conservation Service: The bill provides \$1.029 million for conservation programs in the Natural Resources Conservation Service. This would include \$150 million for <u>watershed flood and prevention operations</u>.

Federal Crop Insurance Corporation Fund: The bill would provide \$8.69 billion for the FCIC Fund, a mandatory account from which funding for federal crop insurance program is derived. The Federal Crop Insurance Program provides subsidized insurance for farmers to protect them from losses due to poor crop yields or lower than expected prices. Farmers only pay about 40 percent of premiums for crop insurance, with the taxpayers picking up the remaining 60 percent.

The **RSC** Budget would cut this insurance subsidy in half.

Commodity Credit Corporation Fund: The Commodity Credit Corporation (CCC) administers many of the Department of Agriculture's mandatory spending programs, namely its activities designed to provide market assistance to farmers. The bill would appropriate \$15.4 billion fo the Fund.

The RSC Budget would eliminate nearly all of the programs funded from the account.

Title III - Rural Development

Housing Loans: The bill would authorize \$25.10 billion in loans for single family direct and guaranteed loans. The bill would also authorize \$230.0 million in multi-family loan guarantees.

Rental Assistance: The bill provides \$1.331 billion in rental assistance.

Multi-Family Housing Revitalization Program Account: The bill provides \$50 million for the Multi-Family Housing Revitalization Program Account, a level that is \$3 million above the FY18 enacted level. The President's Budget would terminate use of this account and transfer voucher funding (\$20 million requested)

by the President's Budget) to the rental assistance account and eliminate funding for the multi-family housing revitalization pilot program. All the balances associated with the multi-family housing demonstration programs in this account will be transferred and merged with the Rural Housing Insurance Fund Program Account.

The Multi-Family Housing Revitalization Program includes funding for housing vouchers and a demonstration program for the preservation and revitalization of affordable multi-family housing projects.

Rural Utilities Service: RUS administers USDA electric and telephone programs and water and waste programs. The bill would authorize \$1.250 billion in rural water system direct and guaranteed loans and \$558 million in related grants and subsidy costs. The bill would authorize \$6.94 billion for electrification and telecommunication direct and guaranteed loans

<u>Title IV - Domestic Food Programs</u>

Women, Infants, and Children: The bill includes \$6.150 billion in discretionary funding for WIC.

Mandatory Programs: The bill includes \$23.184 billion in mandatory funding for child nutrition programs and \$73.219 billion in mandatory funding for SNAP (food stamps).

Commodity Assistance Program: The Commodity Assistance Program account primarily includes funding that provides supplemental food to low-income individuals under the Commodity Supplemental Food Program and pays for expenses associated with the storage and distribution of commodities through The Emergency Food Assistance Program (TEFAP).

The bill would provide \$322.1 million for this account. That includes \$238.1 million for the Commodity Supplemental Food Program. The President's Budget would eliminate the account. The bill would also provide \$64.4 million for TEFAP expenses, \$18.5 million for the Farmers Market Nutrition Program – which the President's budget would eliminate, and \$1 million for Pacific island and disaster assistance.

Conservatives may be concerned this account funds programs the President's Budget would eliminate.

Title V - Foreign Assistance and Related Programs

Food for Peace: The bill would include \$1.716 billion in funding for Food for Peace Title II grants, a program the President's budget proposed to eliminate.

McGovern-Dole: The bill would include \$210 million for the McGovern-Dole international food for education program.

Title VI - Related Agencies

FDA: The bill provides \$2.97 billion in discretionary funding along with authority to spend \$2.5 billion in user fees, for a total of \$5.4 billion in funding for the FDA.

NOTABLE POLICY PROVISIONS

Embryo Genetic Testing: The bill would prohibit the use of funds for the FDA to allow the genetic modification of embryos.

First Class Travel: The bill would prohibit first class travel by agency employees.

Prepackaged News Stories: The bill would prohibit the use of funds by an agency to produce any prepackaged news story unless the story includes a clear notification that it was prepared or funded by that agency.

Farmer Stress and Suicide: The bill would appropriate \$2 million to create a pilot program to award grants to state and local organization to carry out programs to address farmer stress and suicide.

WIC Rescission: The bill would rescind \$ 400 million from the Special supplemental nutrition program for women, infants, and children (WIC).

"Variety" Requirements for SNAP Retailers Rule: The bill would prohibit use of funds to carry out the "variety" requirements of the <u>2016 final rule</u> entitled Enhancing Retailer Standards in the Supplemental Nutrition Assistance Program (SNAP)."

Pharmaceutical Electronic Communication Ban: The bill would prohibit the FDA from taking steps to allow disclosure of information for pharmaceuticals to prescribing health care professionals in electronic form (in lieu of in paper form).

Geographically Disadvantaged Farmers and Ranchers: The bill would appropriate nearly \$2 million for the Geographically Disadvantaged Farmers and Ranchers program, under which the USDA is to provide direct reimbursement payments.

Rural Energy Savings Program: The bill would appropriate \$10 million for the <u>rural energy savings</u> <u>program</u>

National Bio- and Agro-defense Facility (NBAF): The bill would allow the USDA to appoint 50 people to the NBAF in Manhattan, Kansas at a rate of pay above the General or Executive Schedules.

Technical Assistance Grants Pilot Program for Conservation Reserve Program (CRP): The bill would appropriate \$1 million for the USDA's Commodity Credit Corporation (CCC) to make grants to CRP participants for forestry inventory analysis, forest management and economic outcomes modelling.

The RSC Budget for FY 2019 would eliminate the CRP.

Genetically Engineered Salmon: The bill would direct the FDA to not allow genetically engineered salmon to enter interstate commerce until the FDA publishes final labeling guidelines for informing consumers of such content.

Conservation Stewardship Program: The bill would appropriate an additional \$4 million to carry out the Conservation Stewardship Program (CSP).

The RSC Budget for FY 2019 would eliminate the CSP.

Rural Water Projects Protectionism: Some conservatives may be concerned that the bill would prohibit certain rural water, waste water, waste disposal, and solid waste management projects from using non-American made iron and steel products.

Alternate Agricultural Risk Coverage Payment Calculation: The bill would establish a pilot program for FY 2019 that allows that USDA to use an alternate Agricultural Risk Coverage payment calculation for agricultural producers under the program. It would appropriate \$5 million for such purposes.

The RSC Budget for FY 2019 would eliminate the Agricultural Risk Coverage program.



Opioid Telemedicine: The bill would appropriate \$20 million, to remain available until expended, for telemedicine and distance learning services in rural areas to help address the opioid epidemic in rural America.

Some conservatives may be concerned that this funding is not limited to a specific timeframe which many would consider an abdication of Congress's power of the purse.

Rural Broadband Loan and Grant Pilot Program: The bill would appropriate an additional \$425 million, to remain available until expended, on top of the \$600 million in funding available until expended that was appropriated in the FY 2018 omnibus.

Some conservatives may be concerned that this funding is not limited to a specific timeframe which many would consider an abdication of Congress's power of the purse.

Furlough Back-pay

The bill would provide back-pay for employees furloughed as a result of the funding lapse. Employees include those federal employees and District of Columbia employees whose salaries are paid by this bill.

States and Federal grantees that spent their own funding to administer programs funded by the bill's appropriations would be reimbursed for those expenditures plus interest.

Further, if a State or Federal grantee furloughed employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government, the bill would direct that such States be reimbursed for the cost of compensating furloughed employees during the lapse in federal funding.

COMMITTEE ACTION:

The bill was introduced on January 8, 2019, and was referred to the House Appropriations Committee.

ADMINISTRATION POSITION:

President Trump has consistently voiced his opposition to signing a government funding bill that did not include extra money for the southern border wall.

The <u>Statement of Administration</u> policy for the bill recommends a veto and states: "The Administration is committed to working with the Congress to reopen agencies affected by lapsed appropriations, but any effort to do so must address the security and humanitarian crisis on our Southwest border and should restore funding for all agencies affected by the lapse."

CONSTITUTIONAL AUTHORITY:

According to the sponsor, Congress has the power to enact this legislation pursuant to the following: "The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law" In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . to pay the Debts and provide for the common Defence and general Welfare of the United States . . ." Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use."

NOTE: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.





H.R. 267 – Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2019 (Rep. Price, D-NC)

CONTACT: Jay Fields, 202-226-9143

FLOOR SCHEDULE:

H.R. 267 is expected to be considered January 10, 2019, under a closed rule.

The rule would waive all points of order against consideration of the bill and against provisions in the bill.

The rule provides the bill one motion to recommit.

TOPLINE SUMMARY:

The bill would provide full-year FY 2019 appropriations for agencies and departments that are annually funded under the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act. Funding lapsed for agencies and departments funded under this act, and the following acts, at the end of December 21, 2018:

- 1. Agriculture, Rural Development, Food and Drug Administration, and Related Agencies
- 2. Commerce, Justice, Science, and Related Agencies
- 3. Financial Services and General Government Appropriations Act
- 4. Interior, Environment, and Related Agencies
- 5. State, Foreign Operations, and Related Programs
- 6. Department of Homeland Security

The bill would direct that furloughed federal and state employees receive back-pay.

COST:

According to a Congressional Budget Office (CBO) <u>cost estimate</u> for <u>H.R. 21</u>, which included substantially the same language with respect to funding covered by the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, the bill would provide a net total of \$71.417 billion in Fiscal Year 2019 base discretionary budget authority that is subject to the Budget Control Act (BCA) discretionary spending caps (as increased by the Bipartisan Budget Act of 2018 (BBA18)).

CONSERVATIVE CONCERNS:

Wall Funding & Shutdown

For the second week in a row, Speaker Pelosi will be forcing the House to vote on appropriations measures that have no realistic chance of becoming law. Many conservatives will view this bill as a waste of time by House Democratic Leadership because it was understood by House and Senate

leadership that the Senate would not consider a government funding measure until it was agreed to by the President.

Conservative members may be concerned that House Democrats are forcing separate consideration of this and the other appropriations measures being brought up in the House this week in an attempt to peel off Republican members from voting 'no' by focusing on the programs funded in the individual bills. Conservatives should be resolute in understanding that votes on individual funding bills represent part of a cohesive position on the FY 2019 funding debate. Further, the vote may be seen by conservatives as a ploy to blame Republicans for continuing the partial shutdown.

Many conservatives will be concerned that appropriations are being concerned without an agreement in place to provide full-year funding for the Department of Homeland Security with additional funding for a southern border wall/barrier as requested by President Trump. Currently enacted funding (section 230 of the FY 2018 Omnibus) for the Department of Homeland Security includes \$1.571 billion for fencing and border security technology along the southern border, of which about \$1.34 billion can be used for fencing. None of that funding can be used for construction of a President Trump wall according to restrictions of that section. House Republicans passed an amended continuing resolution on December 20, 2018 prior to the lapse in discretionary funding that would have fully funded the President's wall funding request.

Programmatic Funding Concerns

Some conservatives may be concerned that the bill would fund TIGER grants and the Essential Air Service.

Some conservatives may be concerned the bill would provide a direct appropriation of \$120 million to the D.C. Washington Metropolitan Area Transit Authority (WMATA).

Some conservatives may be concerned the bill would provide \$3.4 billion for the CDBG, which has been unauthorized since 1994.

<u>President Trump's budget</u> proposed to eliminate CDBG because "The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results."

While the bill does *not* specifically direct funds to the Gateway tunnel project, some conservatives, may be concerned that the project could receive funding through programs appropriated under the bill, such as the Capital Investment Grants Program.

- **Expand the Size and Scope of the Federal Government?** The bill provides discretionary funding at levels greater than what was provided for last fiscal year.
- **Encroach into State or Local Authority?** Some conservatives may believe that many of the programs funded by the bill should be the responsibility of state and local governments.
- Delegate Any Legislative Authority to the Executive Branch? No.
- Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? The bill would allow a State to use for certain projects under the Surface transportation block grants program and Puerto Rico and Territorial Highway programs any earmarked amount with prior State notice. Notwithstanding the original period of availability of funds to be obligated, funding would remain available for obligation for 3 fiscal years after notice is provided.



DETAILED SUMMARY AND ANALYSIS:

Transportation, Housing, and Urban Development Appropriations, 2019

The bill would provide \$71.417 billion in discretionary appropriations for the Departments of Transportation, Housing, and Urban Development, and related agencies, a level that is \$23.3 billion above the President's Request and \$1.1 billion above the FY 2018 enacted level.

Title I: Department of Transportation

The bill would appropriate \$26.6 billion for the Department of Transportation, a level that is \$10.5 billion higher than the President's Request and \$697 million lower than the FY 2018 enacted level.

TIGER Grants (no known as BUILD grants): Some conservatives may be concerned that the bill funds \$1 billion in TIGER Grants. <u>President Trump</u>'s budget would eliminate them.

As described by the RSC budget, "TIGER Grants, also called the National Infrastructure Investment Program, were created by President Obama's failed Stimulus law. The program is particularly problematic because projects are selected by the administration, often for political purposes (Democrat districts received 69 percent of funding during the Obama administration), and go towards projects that would be more appropriately funded by state or local governments. GAO has found problems with the funding decisions made by the administration under this program.394 The TIGER program is a remarkably poor investment, and Congress chose not to reauthorize it in the highway bill signed into law by President Obama in 2015. Ending appropriations for TIGER Grants beginning in FY 2018 would save taxpayers \$500 million each year. The president's Budget Blueprint calls for ending this unauthorized program."

Essential Air Service (EAS) (Payments to Air Carriers): The Bill would provide EAS with \$155 in discretionary funding. This program also receives mandatory funding.

<u>President Trump</u> has requested that Congress eliminate this wasteful program because EAS flights are not full and have high subsidy costs per passenger. Several EAS-eligible communities are relatively close to major airports, and communities that have EAS could be served by other existing modes of transportation.

The RSC budget would also eliminate EAS.

Federal Aviation Administration (FAA): The bill would provide a total of \$17.7 billion in budgetary resources for the FAA.

Federal Highway Administration (FHWA): The bill would provide \$49.3 billion from the Highway Trust Fund for the FHWA highway program.

Amtrak: The bill would provide \$1.942 billion for Amtrak which is \$1.2 more than the budget request and equal to the fiscal year 2018 enacted level.

<u>President Trump</u> has requested that Congress eliminate federal funding for Amtrak's money-losing long distance service.

Mass Transit: The bill would provide \$9.9 billion from the Highway Trust Fund for mass transit.

The RSC Budget would eliminate the Mass Transit account.

New Starts (Capital Investment Grants): The bill would provide \$1 billion for the New Starts Capital Investment Grants program.



As described by the <u>RSC Budget</u>, "The New Starts Program, sometimes called Capital Investment Grants, provides billions in subsidies to local transit for capital improvements to fixed-guideway projects, including streetcars, subways, and dedicated bus lanes. Often these projects are inefficient and fail to reduce congestion. Because this program subsidizes only new projects, it incentivizes transit agencies to build expensive projects without regard to cost, putting taxpayers on the hook for operating costs down the road and diverting funds from adequately maintaining existing roads and other infrastructure."

<u>President Trump's budget</u> proposed to limit funding for this program to "projects with existing full funding grant agreements only. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects."

Taxpayer Funding for the D.C. Metro: The Bill would provide a direct appropriation of \$120 million to the D.C. Washington Metropolitan Area Transit Authority (WMATA).

As described by the <u>RSC Budget</u>, "The federal government should not be directly subsidizing the public transit system of one of the most affluent metropolitan areas in the U.S."

Title II: Department of Housing and Urban Development

The bill would provide \$44 billion for the Department of Housing and Urban Development, a level that is \$12 billion more than the President's Request and \$1 billion more than the FY 2018 enacted level.

Tenant-Based Rental Assistance Section 8 Housing: The bill would provide \$22.78 billion for Section 8 Public Housing.

Public Housing Capital Fund: The bill would provide \$2.75 billion for the Capital Fund. President Trump's budget would not fund this account.

Public Housing Operating Fund: The bill would provide \$4.756 billion for the Operating Fund, nearly \$1.5 billion more than President Trump's budget requested.

Community Development Block Grant (CDBG): The bill would provide \$3.4 billion for the CDBG, which has been unauthorized since 1994.

<u>President Trump's budget</u> proposed to eliminate CDBG because "The Federal Government has spent over \$150 billion on this block grant since its inception in 1974, but the program is not well-targeted to the poorest populations and has not demonstrated results."

Project Based Rental Assistance: The bill would provide \$11.7 billion for Project Based Rental Assistance.

NOTABLE POLICY PROVISIONS

Use of Prior Earmarked Funds: The bill would allow a State to use for certain projects under the Surface transportation block grants program and Puerto Rico and Territorial Highway programs any earmarked amount with prior State notice. Notwithstanding the original period of availability of funds to be obligated, funding would remain available for obligation for 3 fiscal years after notice is provided.

Long Distance Train Routes: The bill would express the sense of Congress that long-distance passenger rail routes are important.

New Starts Share: Does not contain language prohibiting entering into a full funding grant agreement for a project with a New Starts share greater than 50 percent.



Capital Investment Grants (CIG) program: The bill would prohibit the use of funds by the Federal Transit Administration to carry out the policies explained in June 29, 2018 "Dear Colleague" from the FTA that generally call on strong local financial commitment and stable, reliable, and dependable non-Federal funding sources for local projects approved under the Capital Investment Grants (CIG) program.

HOME Investment Trust Fund program: Under existing law, if any funds becoming available to a participating jurisdiction under the HOME Investment Trust Fund program are not placed under binding commitment to affordable housing within 24 months after the last day of the month in which such funds are deposited in the jurisdiction's HOME Investment Trust Fund, the jurisdiction's right to draw such funds from the HOME Investment Trust Fund shall expire. The bill would eliminate this temporal limitation through 2021.

State and local inspections: The bill lacks language in the House-reported bill that would prohibit the use of funds to interfere with state and local inspections of state and local public housing units.

Ranking Factor: The bill would prohibit the use of funds to apply a "ranking factor" in the award of funds made available and requiring competitive selection under the bill, including with respect to EnVision Centers.

Housing choice voucher mobility demonstration: The bill lacks a provision from the House-reported bill that would authorize a housing choice voucher mobility demonstration. This may concern conservatives given that voucher portability is often advocated for by conservatives, including in the RSC budget.

ZTE Corporation: The bill would generally prohibit the use of funds to acquire technology produced by Huawei Technologies Company, ZTE Corporation.

President Flight Restriction Reimbursements: Some conservatives may be concerned that the bill would allow up to \$3.5 million to be used to reimburse local airports impacted by temporary flight restrictions for any residence of the President that is designated or identified to be secured by the United States Secret Service, but only after an independent audit.

Gateway Tunnel: While the bill does *not* specifically direct funds to the Gateway tunnel project, some conservatives, may be concerned that the project could receive funding through programs appropriated under the bill, such as the Capital Investment Grants Program.

Unauthorized Appropriations: The bill would appropriate billions of dollars for dozens of programs that lack a current authorization.

Furlough Back-pay

The bill would provide back-pay for employees furloughed as a result of the funding lapse. Employees include those federal employees and District of Columbia employees whose salaries are paid by this bill.

States and Federal grantees that spent their own funding to administer programs funded by the bill's appropriations would be reimbursed for those expenditures plus interest.

Further, if a State or Federal grantee furloughed employees whose compensation is advanced or reimbursed in whole or in part by the Federal Government, the bill would direct that such States be reimbursed for the cost of compensating furloughed employees during the lapse in federal funding.

COMMITTEE ACTION:

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ADMINISTRATION POSITION:

President Trump has consistently voiced his opposition to signing a government funding bill that did not include extra money for the southern border wall.

The <u>Statement of Administration</u> policy for the bill recommends a veto and states: "The Administration is committed to working with the Congress to reopen agencies affected by lapsed appropriations, but any effort to do so must address the security and humanitarian crisis on our Southwest border and should restore funding for all agencies affected by the lapse."

CONSTITUTIONAL AUTHORITY:

According to the sponsor, Congress has the power to enact this legislation pursuant to the following: "The principal constitutional authority for this legislation is clause 7 of section 9 of article I of the Constitution of the United States (the appropriation power), which states: "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law" In addition, clause 1 of section 8 of article I of the Constitution (the spending power) provides: "The Congress shall have the Power . . . to pay the Debts and provide for the common Defence and general Welfare of the United States . . ." Together, these specific constitutional provisions establish the congressional power of the purse, granting Congress the authority to appropriate funds, to determine their purpose, amount, and period of availability, and to set forth terms and conditions governing their use."

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